



State of Wisconsin
2011 - 2012 LEGISLATURE



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Stays

DOA:.....Boggs, BB0258 – Create authority for UW–Madison

FOR 2011-13 BUDGET — NOT READY FOR INTRODUCTION

Do Not Gen

1 AN ACT relating to: the budget.

Analysis by the Legislative Reference Bureau

EDUCATION

HIGHER EDUCATION

Currently, the UW System consists of 13 four-year institutions, including the UW–Madison, 13 two-year colleges, and the UW–Extension. The UW System is governed by the Board of Regents, which consists of the state superintendent of public instruction, the president of the technical college system, 14 citizen members, and two students. The latter 16 members are appointed by the governor and confirmed by the senate. There is a shared, hierarchical system of governance for the UW System: the Board of Regents has primary responsibility, followed by the UW System president, the chancellors of the institutions, the faculty, and the academic staff and students. Three boards are created in or attached to the UW System: the Environmental Education Board, the Laboratory of Hygiene Board, and the Veterinary Diagnostic Laboratory.

This bill creates an authority entitled the University of Wisconsin–Madison, consisting of the current UW–Madison. The bill also creates a board of trustees to govern the authority. Twenty-one members, 11 of whom are appointed by the governor, and the chancellor, who serves as a nonvoting member, comprise the Board of Trustees. The chancellor is appointed by the Board of Trustees to serve at its pleasure and is the chief executive officer of the authority. The bill establishes a shared, hierarchical governance system for the authority, consisting of the Board of Trustees, the chancellor, the faculty, and the academic staff and students.

The bill transfers all assets and liabilities of the current UW-Madison, including real property, and all incumbent UW-Madison employees to the authority. Until July 1, 2012, the authority must adhere to the terms of any collective bargaining agreement covering the employees, and the authority is considered an agency under the state employment relations laws for all purposes. Beginning July 1, 2012, the authority must implement its own personnel system. Tenured faculty at the current UW-Madison retain their tenure at the authority. The authority remains a participating employer in the Wisconsin Retirement System and authority employees retain health insurance and other benefits enjoyed as state employees. All contracts entered into by the Board of Regents that are primarily related to the operation of the current UW-Madison, including the contracts with the Board of Directors of the UW Hospitals and Clinics Authority, are transferred to the authority's Board of Trustees.

The bill does not require the Board of Trustees to promulgate administrative rules except for rules relating to conduct on university property. The bill authorizes the Board of Trustees to condemn property.

Current law prohibits the Board of Regents of the UW System from increasing resident undergraduate tuition beyond an amount sufficient to fund certain specified costs and activities, including the amounts specified in the state budget act, the approved recommendations of the director of the Office of State Employment Relations for staff compensation and fringe benefits, and distance education. This bill does not impose these restrictions on the establishment of tuition by the Board of Trustees.

The bill appropriates general purpose revenue, program revenue, and moneys from segregated funds to the authority. The authority is not required to deposit moneys that it receives, such as tuition, gifts, grants, and federal revenue, into the state treasury. However, it must transfer daily to the state treasurer for deposit into the local government pooled-investment fund the collected cash balance from all sources except gifts, grants, and donations. The bill authorizes the Board of Trustees to transfer gifts, grants, and donations to the UW Foundation.

The bill exempts the Board of Trustees from DOA's authority over state agency use of gasohol, alternative fuels, and hybrid-electric vehicles. The bill also exempts authority employees from certain requirements regarding employment or retention by another state agency or authority.

The bill abolishes the Laboratory of Hygiene Board and the Veterinary Diagnostic Laboratory Board and transfers their functions to the authority. The bill directs the Board of Trustees, instead of the Board of Regents, to appoint the director of the laboratory of hygiene, the director of the psychiatric institute, the state geologist, and the state cartographer.

The bill makes other changes regarding the UW-System and the UW-Madison, including the following:

1. The bill transfers loan assistance programs for physicians and other health care providers, but not dentist and dental hygienist programs, from the Board of Regents to the Board of Trustees.

2. The bill adds one person associated with the authority to each of the following boards and councils: the teachers retirement board in DETF, the natural areas preservation council in DNR, the professional standards council for teachers in DPI, the Higher Educational Aids Board, and the Technical College System Board.

3. The bill replaces certain Board of Regents members of the following bodies with Board of Trustees members: the University of Wisconsin Hospitals and Clinics Board and the board of directors of the University of Wisconsin Hospitals and Clinics Authority.

The bill does the following regarding legal proceedings involving the authority:

1. Under current law, no one may sue a state officer, employee, or agent who is acting in his or her official capacity for damages unless the person serves the attorney general with a written notice of claim within 120 days of the event that allegedly caused the damages. The bill applies the prohibition to actions against an officer, director, employee, or agent of the Board of Trustees.

2. With few exceptions, current law limits damages in a case against a state officer, employee, or agent who is acting in his or her official capacity to \$250,000. The bill applies the limit to actions against an officer, director, employee, or agent of the Board of Trustees.

3. Under current law, generally, if a public officer or a state employee is sued in an official capacity or for actions undertaken within the scope of his or her employment, the state or the political subdivision that employs the officer or employee must provide legal counsel to the defendant officer or employee or cover legal costs for the officer or employee. If damages are assessed against the officer or employee, the state or political subdivision must pay the damages. Under the bill, an officer, director, employer, or agent of the Board of Trustees is treated as a state officer, director, employer, or agent for purposes of the foregoing requirements.

4. Under current law, DOJ represents the state, state agencies, and state employees in certain legal proceedings, reviews, and actions. Under the bill, DOJ represents the Board of Trustees as a department of state government and the officials, employees, and agents of the board as state officials, employees, and agents for the purpose of representation in civil and criminal proceedings, and upon request, for the purpose of appearing for and representing the board or its officials, employees, or agents at an administrative or civil court proceeding.

See also STATE GOVERNMENT — STATE BUILDING PROGRAM and OTHER STATE GOVERNMENT.

STATE GOVERNMENT

STATE BUILDING PROGRAM

Currently, with limited exceptions, each state agency, including the UW System, must submit for approval of the Building Commission any contract for the engineering, design, construction, reconstruction, remodeling, or expansion of a building, structure, or facility if the project cost exceeds \$150,000; if the project cost exceeds \$500,000, the project must be enumerated in the Authorized State Building Program, which is set forth by law. Currently, DOA manages all engineering, design, and construction work for state agencies, including the UW System, but DOA may delegate its management authority to an agency for a specific project. If

management authority for a project is delegated, the agency to which authority is delegated is subject to the same requirements that apply to DOA if DOA manages the project directly. With limited exceptions, DOA must provide public notice of proposed work and let contracts to the lowest responsible bidder. Plans and specifications for all work on UW projects are subject to approval of DOA. DOA may assess and collect from state agencies, including the UW System, a construction project management fee to cover its costs in managing each project. With limited exceptions, each engineering, design, or construction contract for a state building, structure, or facility is subject to approval of the secretary of administration and, if the contract involves an expenditure of more than \$60,000, the approval of the governor. DOA must grant preference to Wisconsin-based firms under certain conditions and must attempt to ensure that 5 percent of the total amount that the state expends on DOA-supervised projects in each fiscal year is paid to minority-owned businesses and that a portion of that amount is also paid to disabled veteran-owned businesses.

This bill deletes DOA's and the governor's responsibility for management and supervision of, and approval of plans, specifications, and contracts for, any building, structure, or facility to be constructed, reconstructed, remodeled, or expanded for the authority if the project is funded entirely from sources other than state general purpose revenue or general fund supported bonding. The bill also deletes the requirement for approval of the Building Commission on any such project if the cost of the project does not exceed \$500,000. Under the bill, the authority is not required to adhere to any of the requirements that currently apply to DOA with respect to any such project and is not subject to assessment by DOA for its construction management services.

Currently, the UW System may not accept a gift or grant of real property valued in excess of \$30,000 or any gift of a building, structure, or facility that is constructed for the benefit of the UW System without approval of the Building Commission. Under the bill, this restriction does not apply to the authority. Currently, no state agency, including the UW System, may permit a facility that would be privately owned or operated to be constructed on state-owned land without approval of the Building Commission. Under the bill, this restriction does not apply to the authority.

STATE FINANCE

Currently, the secretary of administration may reallocate moneys from state funds or accounts to other state funds and accounts to cover deficiencies, subject to certain limitations, and may reallocate an amount equal to not more than 3 percent of current general purpose revenue appropriations to the general fund for not more than 30 days. This bill increases that amount to not more than 6 percent of current general purpose revenue appropriations.

OTHER STATE GOVERNMENT

Currently, except as otherwise provided by law, the records of a state or local governmental officer or entity are subject to the right of public inspection and copying unless the custodian demonstrates that the public interest in withholding access to the information in a record outweighs the strong public interest in providing access to that information. This bill permits any public institution of

higher education to withhold from access any information that is produced or collected by or for the faculty or staff of the institution in the conduct of, or as a result of, study or research on a commercial, scientific, or technical subject until that information is publicly disseminated or patented.

Under current law, the chancellor of the UW-Madison and the vice chancellor who serves as deputy are subject to the standards of conduct under the code of ethics for state public officials as well as the requirement to file annual statements of economic interests. Other employees of the UW-Madison are subject to a code of ethics established by the Board of Regents of the UW System. This bill continues coverage of the chancellor and vice chancellor under the code of conduct but not under the filing requirement and directs the Board of Trustees of the authority to establish a code of ethics for other employees of the authority.

Currently, DOA manages the state's risk management program, including worker's compensation and liability insurance, and annually assesses each state agency, including the UW System, for its risk management costs. This bill permits the authority with 6 months' notice, to opt in or out of the state's risk management program for any fiscal year.

Current law generally authorizes state agencies to purchase materials, supplies, or equipment under certain circumstances. With some exceptions, purchases for which the estimated cost exceeds \$25,000 require bids to be invited or proposals to be solicited and the order must be awarded to the lowest responsible bidder or most competitive sealed proposal. Under this bill, the authority may make a purchase without inviting bids or proposals if the estimated cost does not exceed \$50,000.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 13.106 (title) of the statutes is amended to read:

2 **13.106 (title) ~~Medical College of Wisconsin and UW-Madison Medical~~**
3 **~~School~~ school reports.**

4 **SECTION 2.** 13.106 (1) (intro.) of the statutes is amended to read:

5 13.106 (1) (intro.) The Medical College of Wisconsin and the University of
6 ~~Wisconsin-Madison Medical~~ Wisconsin School of Medicine and Public Health shall
7 biennially report to the governor and the joint committee on finance on the:

8 **SECTION 3.** 13.106 (2) of the statutes is amended to read:

1 13.106 (2) The Medical College of Wisconsin and the University of
2 ~~Wisconsin-Madison Medical~~ Wisconsin School of Medicine and Public Health shall
3 submit a biennial report containing financial summaries for the college and school
4 to the governor and the joint committee on finance, in a consistent format and
5 methodology to be developed in consultation with the medical education review
6 committee under s. 39.16.

7 **SECTION 4.** 13.106 (3) (intro.) of the statutes is amended to read:

8 13.106 (3) (intro.) By October 15 of each even-numbered year, the Medical
9 College of Wisconsin and the University of ~~Wisconsin-Madison Medical~~ Wisconsin
10 School of Medicine and Public Health shall submit a report to the governor and to
11 the chief clerk of each house of the legislature for distribution to the legislature under
12 s. 13.172 (2) that provides information on all of the following:

13 **SECTION 5.** 13.172 (1) of the statutes, as affected by 2011 Wisconsin Act 7, is
14 amended to read:

15 13.172 (1) In this section, "agency" means an office, department, agency,
16 institution of higher education, association, society, or other body in state
17 government created or authorized to be created by the constitution or any law, that
18 is entitled to expend moneys appropriated by law, including the legislature and the
19 courts, and any authority created in subch. II of ch. 114 or subch. III of ch. 149 or in
20 ch. 37, 52, 231, 233, 234, 238, or 279.

 ****NOTE: Section 13.172 specifies the manner for state agencies to provide reports
 to the legislature that are required by other statutes. The above applies s. 13.172 to the
 UW.

 ****NOTE: It's unnecessary to include the UW in s. 13.40 (3m), because the provision
 is obsolete.

21 **SECTION 6.** 13.48 (1) of the statutes is amended to read:

1 13.48 (1) POLICY. The legislature finds and determines that it is necessary to
2 improve the adequacy of the public building facilities that are required by the various
3 state agencies and the University of Wisconsin-Madison including the educational
4 institutions, for the proper performance of their duties and functions, and that it is
5 in the interest of economy, efficiency and the public welfare that such improvement
6 be accomplished by means of a long-range public building program, with funds to be
7 provided by successive legislatures. The long-range program shall include the
8 necessary lands, new buildings, and all facilities and equipment required and also
9 the remodeling, reconstruction, maintenance and reequipping of existing buildings
10 and facilities, as determined by the building commission.

11 **SECTION 7.** 13.48 (1m) (b) of the statutes is amended to read:

12 13.48 (1m) (b) The long-range public building program shall recognize the
13 importance of historic properties and shall include a program of preservation and
14 restoration of those historic properties under the control of the state and the
15 University of Wisconsin-Madison as provided in s. 44.41, including criteria for
16 determining which historic properties should be preserved and restored.

17 **SECTION 8.** 13.48 (1m) (c) of the statutes is amended to read:

18 13.48 (1m) (c) The long-range public building program shall require the
19 biennial review of each historic property under the control of the state and the
20 University of Wisconsin-Madison to determine the current uses of the property and
21 compliance by state agency compliance agencies and the University of
22 Wisconsin-Madison with the requirements of the long-range program.

23 **SECTION 9.** 13.48 (1m) (d) of the statutes is amended to read:

24 13.48 (1m) (d) The building commission shall allocate, from that portion of the
25 state building program funding which is available to all state agencies and the

1 University of Wisconsin-Madison, an amount of funds deemed necessary by the
2 building commission for the preservation, restoration and maintenance of historic
3 properties under the control of the state and the University of Wisconsin-Madison.

4 **SECTION 10.** 13.48 (2) (b) 2. of the statutes is amended to read:

5 13.48 (2) (b) 2. In the construction of all new buildings or additions to existing
6 buildings used for housing state offices and constructed for general state purposes
7 and not specially for the use of any particular state agency or the University of
8 Wisconsin-Madison, the building commission shall function with respect to such
9 construction in the same manner as other state agencies function with respect to
10 buildings constructed for such agencies. The building commission shall fix the rental
11 for all space in such buildings, and, notwithstanding any other statute, may remove
12 to any building any department housed in the state capitol. After the completion of
13 such buildings, they shall be in the charge of the department of administration as
14 provided by s. 16.84.

15 **SECTION 11.** 13.48 (2) (d) of the statutes is repealed.

16 **SECTION 12.** 13.48 (2) (e) 2. of the statutes is amended to read:

17 13.48 (2) (e) 2. It is the intent of the legislature that it be given a complete
18 picture of the results of its past decisions regarding the state's state building program
19 which will serve as background for making further decisions.

20 **SECTION 13.** 13.48 (2) (g) of the statutes is amended to read:

21 13.48 (2) (g) The building commission shall review assessments on property of
22 the state and the University of Wisconsin-Madison under s. 66.0703 (6).

23 **SECTION 14.** 13.48 (3) of the statutes is amended to read:

24 13.48 (3) STATE BUILDING TRUST FUND. In the interest of the continuity of the
25 program, the moneys appropriated to the state building trust fund under s. 20.867

(2) (f) shall be retained as a nonlapsing building depreciation reserve. Such moneys shall be deposited into the state building trust fund. At such times as the building commission directs, or in emergency situations under s. 16.855 (16) (b), the governor shall authorize releases from this fund to become available for projects of state agencies or the University of Wisconsin-Madison and shall direct the department of administration to allocate from this fund such amounts as are approved for these projects. In issuing such directions, the building commission shall consider the cash balance in the state building trust fund, the necessity and urgency of the proposed improvement, employment conditions and availability of materials in the locality in which the improvement is to be made. The building commission may authorize any project costing \$500,000 or less for any state agency or the University of Wisconsin-Madison in accordance with priorities to be established by the building commission and may adjust the priorities by deleting, substituting or adding new projects as needed to reflect changing program needs and unforeseen circumstances. The building commission may enter into contracts for the construction of buildings for any state agency or the University of Wisconsin-Madison, except a project authorized under sub. (10) (c), and shall be responsible for accounting for all funds released to projects. The building commission may designate the department of administration, the University of Wisconsin-Madison, or the agency for which the project is constructed to act as its representative in such accounting.

SECTION 15. 13.48 (4) of the statutes is amended to read:

13.48 (4) STATE AGENCIES AND THE UNIVERSITY OF WISCONSIN-MADISON TO REPORT PROPOSED PROJECTS. ~~Each~~ Whenever any state agency ~~contemplating or the~~ University of Wisconsin-Madison contemplates a project under this the state building program, ~~it shall report its proposed projects~~ the project to the building

1 commission. The report shall be made on such date and in such manner as the
2 building commission prescribes. This subsection does not apply to projects identified
3 in sub. (10) (c).

4 **SECTION 16.** 13.48 (6) of the statutes is amended to read:

5 13.48 (6) REVIEW OF PROJECTS. All reports submitted as provided by sub. (4)
6 shall be reviewed by the building commission, which shall make its report as soon
7 after November 20 as is possible. Such report shall include specific
8 recommendations and establish priorities for the next 3 biennia from among all
9 projects submitted which the building commission deems essential and shall
10 recommend additional appropriations if necessary for the execution thereof. The
11 building commission shall include in the report any projects proposed by the state
12 fair park board involving a cost of not more than \$250,000, together with the method
13 of financing proposed for those projects by the board, without recommendation. The
14 building commission shall include in its report an appraisal and recommendation of
15 available and alternative methods of financing buildings for the use of state agencies
16 and the University of Wisconsin-Madison and shall file copies of its report with the
17 governor-elect.

18 **SECTION 17.** 13.48 (10) (c) of the statutes is created to read:

19 13.48 (10) (c) Paragraph (a) does not apply to any contract for a building project
20 involving a cost of not more than \$500,000 to be constructed for the University of
21 Wisconsin-Madison that is funded entirely from sources other than general purpose
22 revenue or general fund supported borrowing.

23 **SECTION 18.** 13.48 (12) (b) 6. of the statutes is created to read:

24 13.48 (12) (b) 6. A facility constructed by or for the University of
25 Wisconsin-Madison.

1 **SECTION 19.** 13.48 (13) (a) of the statutes, as affected by 2011 Wisconsin Act 7,
2 is amended to read:

3 13.48 (13) (a) Except as provided in par. (b) or (c), every building, structure or
4 facility that is constructed for the benefit of or use of the state, any state agency,
5 board, commission or department, the University of Wisconsin-Madison, the
6 University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational
7 System Authority, the Wisconsin Quality Home Care Authority, the Wisconsin
8 Economic Development Corporation, or any local professional baseball park district
9 created under subch. III of ch. 229 if the construction is undertaken by the
10 department of administration on behalf of the district, shall be in compliance with
11 all applicable state laws, rules, codes and regulations but the construction is not
12 subject to the ordinances or regulations of the municipality in which the construction
13 takes place except zoning, including without limitation because of enumeration
14 ordinances or regulations relating to materials used, permits, supervision of
15 construction or installation, payment of permit fees, or other restrictions.

 ***NOTE: Section 13.48 (14), stats., governing sale or lease of state lands and
property, is not amended because by its terms it applies only to state agencies,
state-owned buildings and structures, and state-owned land.

16 **SECTION 20.** 13.48 (15) of the statutes is amended to read:

17 13.48 (15) ACQUISITION OF LEASEHOLD INTERESTS. Subject to the requirements
18 of s. 20.924 (1) (i), the building commission shall have the authority to acquire
19 leasehold interests in land and buildings where such authority is not otherwise
20 provided to an agency or the University of Wisconsin-Madison by law.

21 **SECTION 21.** 13.48 (19) of the statutes is amended to read:

22 13.48 (19) ALTERNATIVES TO STATE CONSTRUCTION. Whenever the building
23 commission determines that the use of innovative types of design and construction

1 processes will make better use of the resources and technology available in the
2 building industry, the building commission may waive any or all of s. 16.855 if such
3 action is in the best interest of the state or the University of Wisconsin-Madison and
4 if the waiver is accomplished through formal action of the building commission. The
5 building commission may authorize the lease, lease purchase or acquisition of ~~such~~
6 state facilities constructed in the manner authorized by the building commission.
7 Subject to the requirements of s. 20.924 (1) (i), the building commission may also
8 authorize the lease, lease purchase or acquisition of existing facilities in lieu of state
9 construction of any project enumerated in the authorized state building program.

10 **SECTION 22.** 13.48 (25) of the statutes is amended to read:

11 13.48 (25) WISCONSIN INITIATIVE FOR STATE TECHNOLOGY AND APPLIED RESEARCH.

12 There is created a program, to be known as the Wisconsin initiative for state
13 technology and applied research, for the purpose of providing financial support to
14 maintain the ability of the University of Wisconsin-Madison and the University of
15 Wisconsin System and other state agencies, as defined in s. 20.001 (1), to attract
16 federal and private research funds which enable the state to engage in
17 high-technology endeavors, which expand the state's economy and which influence
18 the ability of the state and nation to compete in an increasingly complex world. To
19 carry out the program, the building commission may authorize new construction
20 projects and projects to repair and renovate existing research facilities and
21 supporting systems. Projects shall be financed from the appropriation under s.
22 20.866 (2) (z) or as otherwise provided in the authorized state building program.

23 **SECTION 23.** 13.48 (25t) of the statutes is amended to read:

24 13.48 (25t) WISBUILD INITIATIVE. There is created a program, to be known as the
25 "Wisbuild initiative", for the purpose of providing financial support for the

1 maintenance, repair and renovation of ~~state-owned~~ buildings owned by the state
2 and the University of Wisconsin-Madison. Funding may be provided under the
3 initiative for high priority, comprehensive building renovation projects, as well as for
4 the maintenance and repair of the exterior components of buildings and, without
5 limitation because of enumeration, systems such as mechanical, electrical, plumbing
6 and other building systems. Funding may also be provided under the initiative for
7 projects to remove barriers that reduce access to and use of state facilities and
8 University of Wisconsin-Madison facilities by persons with disabilities. The
9 building commission shall allocate available funding for the initiative. Projects
10 funded as a part of the initiative shall be financed from the appropriation under s.
11 20.866 (2) (z) or as otherwise provided in the authorized state building program.

12 **SECTION 24.** 13.48 (28) (title) of the statutes is amended to read:

13 13.48 (28) (title) STATE AND UNIVERSITY OF WISCONSIN-MADISON PROPERTY LEASED
14 TO THE UNIVERSITY OF WISCONSIN HOSPITALS AND CLINICS AUTHORITY.

15 **SECTION 25.** 13.48 (29) of the statutes is amended to read:

16 13.48 (29) SMALL PROJECTS. Except as otherwise required under s. 16.855
17 (10m), the building commission may prescribe simplified policies and procedures to
18 be used in lieu of the procedures provided in s. 16.855 for any project that does not
19 require prior approval of the building commission under sub. (10) (a), except projects
20 specified in sub. (10) (c).

21 **SECTION 26.** 13.488 (1) (intro.) of the statutes is amended to read:

22 13.488 (1) (intro.) For the purpose of providing housing for state departments
23 and agencies and the University of Wisconsin-Madison, including housing for state
24 offices anywhere in the state and the completion of the state office building, and all
25 buildings, improvements, facilities or equipment or other capital items required in

1 connection therewith, for the acquisition of lands for future office building
2 development, and to refinance indebtedness previously or hereafter created by a
3 nonprofit-sharing corporation for the purpose of providing a state office building or
4 buildings or additions or improvements thereto which are located on land owned by
5 the state or by the nonprofit-sharing corporation, or for any one or more of said
6 purposes, the building commission shall have the following powers and duties:

7 **SECTION 27.** 13.488 (5) of the statutes is amended to read:

8 13.488 (5) Unless the context requires otherwise, the terms "building", "new
9 buildings" and "existing buildings", as used in this section, include all buildings,
10 structures, improvements, facilities, equipment or other capital items as the
11 building commission determines to be necessary or desirable for the purpose of
12 providing housing for state departments ~~and~~, agencies, and the University of
13 Wisconsin-Madison.

****NOTE: Section 13.488, stats. is not amended because the section, except sub. (1)
(m) relating to arbitrage payments, pertains to dummy building corporations which have
not been used since 1969. No amendment of sub. (1) (m) is required.

14 **SECTION 28.** 13.62 (2) of the statutes, as affected by 2011 Wisconsin Act 7, is
15 amended to read:

16 13.62 (2) "Agency" means any board, commission, department, office, society,
17 institution of higher education, council, or committee in the state government, or any
18 authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch. 37, 52, 231,
19 232, 233, 234, 237, 238, or 279, except that the term does not include a council or
20 committee of the legislature.

****NOTE: This SECTION provides that the UW is subject to the same requirements
that apply to agencies under subch. III of ch. 13, which regulates lobbying.

21 **SECTION 29.** 13.94 (1) (intro.) of the statutes is amended to read:

1 13.94 (1) DUTIES OF THE BUREAU. (intro.) The legislative audit bureau shall be
2 responsible for conducting postaudits of the accounts and other financial records of
3 departments to assure that all financial transactions have been made in a legal and
4 proper manner. In connection with such postaudits, the legislative audit bureau
5 shall review the performance and program accomplishments of the department
6 during the fiscal period for which the audit is being conducted to determine whether
7 the department carried out the policy of the legislature and the governor during the
8 period for which the appropriations were made. In performing postaudits under this
9 subsection, the legislative audit bureau shall not examine issues related to academic
10 freedom within the University of Wisconsin–Madison or the University of Wisconsin
11 System. A postaudit shall not examine into or comment upon the content of the
12 various academic programs, including degree requirements, majors, curriculum or
13 courses within the University of Wisconsin–Madison or the University of Wisconsin
14 System, nor shall any such postaudit examine into the manner in which individual
15 faculty members or groups of faculty members conduct their instructional, research
16 or public service activities. This subsection does not preclude the bureau from
17 reviewing the procedures by which decisions are made and priorities set in the
18 University of Wisconsin–Madison or the University of Wisconsin System, or the
19 manner in which such decisions and priorities are implemented within the
20 University of Wisconsin–Madison or the University of Wisconsin System, insofar as
21 such review is not inconsistent with s. 36.09 or 37.03. The legislative audit bureau
22 shall audit the fiscal concerns of the state as required by law. To this end, it shall:

23 **SECTION 30.** 13.94 (4) (a) 1. of the statutes, as affected by 2011 Wisconsin Act
24 7, is amended to read:

1 13.94 (4) (a) 1. Every state department, board, examining board, affiliated
2 credentialing board, commission, independent agency, council or office in the
3 executive branch of state government; all bodies created by the legislature in the
4 legislative or judicial branch of state government; any public body corporate and
5 politic created by the legislature including specifically the University of
6 Wisconsin-Madison, the Wisconsin Quality Home Care Authority, the Fox River
7 Navigational System Authority, the Lower Fox River Remediation Authority, and
8 the Wisconsin Aerospace Authority, the Wisconsin Economic Development
9 Corporation, a professional baseball park district, a local professional football
10 stadium district, a local cultural arts district and a long-term care district under s.
11 46.2895; every Wisconsin works agency under subch. III of ch. 49; every provider of
12 medical assistance under subch. IV of ch. 49; technical college district boards; every
13 county department under s. 51.42 or 51.437; every nonprofit corporation or
14 cooperative or unincorporated cooperative association to which moneys are
15 specifically appropriated by state law; and every corporation, institution, association
16 or other organization which receives more than 50% of its annual budget from
17 appropriations made by state law, including subgrantee or subcontractor recipients
18 of such funds.

19 **SECTION 31.** 13.95 (intro.) of the statutes, as affected by 2011 Wisconsin Act 7,
20 is amended to read:

21 **13.95 Legislative fiscal bureau.** (intro.) There is created a bureau to be
22 known as the "Legislative Fiscal Bureau" headed by a director. The fiscal bureau
23 shall be strictly nonpartisan and shall at all times observe the confidential nature
24 of the research requests received by it; however, with the prior approval of the
25 requester in each instance, the bureau may duplicate the results of its research for

1 distribution. Subject to s. 230.35 (4) (a) and (f), the director or the director's
2 designated employees shall at all times, with or without notice, have access to all
3 state agencies, the University of Wisconsin Hospitals and Clinics Authority, the
4 University of Wisconsin-Madison, the Wisconsin Aerospace Authority, the Health
5 Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
6 Authority, the Wisconsin Quality Home Care Authority, the Wisconsin Economic
7 Development Corporation, and the Fox River Navigational System Authority, and to
8 any books, records, or other documents maintained by such agencies or authorities
9 and relating to their expenditures, revenues, operations, and structure.

10 **SECTION 32.** 14.015 (1) of the statutes is amended to read:

11 14.015 (1) DISABILITY BOARD. There is created a disability board which is
12 attached to the office of the governor under s. 15.03. Where not in conflict with s.
13 17.025, s. 15.07 applies to the disability board. The disability board shall consist of
14 the governor, the chief justice of the supreme court, the speaker of the assembly, the
15 president of the senate, the minority leader of the assembly, the minority leader of
16 the senate, and the dean of the University of Wisconsin Medical School of Medicine
17 and Public Health. In case of the absence or disability of any of the members to serve
18 for a particular meeting of the board, the lieutenant governor, a justice of the
19 supreme court designated by the chief justice, the deputy speaker of the assembly,
20 the majority leader of the senate, the assistant minority leader of the assembly, the
21 assistant minority leader of the senate, or an associate dean of the University of
22 Wisconsin Medical School of Medicine and Public Health designated by the dean
23 shall serve, respectively, in place of the officers.

24 **SECTION 33.** 14.76 (1m) of the statutes is created to read:

1 14.76 (**1m**) In this section, "state agency" includes the University of
2 Wisconsin-Madison.

3 **SECTION 34.** 15.105 (25m) (bm) of the statutes is created to read:

4 15.105 (**25m**) (bm) The chairperson of the board of trustees of the University
5 of Wisconsin-Madison or his or her designee.

 ****NOTE: This is reconciled s. 15.105 (25m) (bm). This SECTION has been affected
by drafts with the following LRB numbers: LRB-1187/P4 and LRB-0698/3.

6 **SECTION 35.** 15.165 (3) (a) (intro.) of the statutes is amended to read:

7 15.165 (**3**) (a) (intro.) There is created in the department of employee trust
8 funds a teachers retirement board. The board shall consist of ~~13~~ 14 members, to
9 serve for staggered 5-year terms. The board shall consist of the following members:

10 **SECTION 36.** 15.165 (3) (a) 8. of the statutes is created to read:

11 15.165 (**3**) (a) 8. One University of Wisconsin-Madison representative who is
12 a teacher participant in the Wisconsin retirement system.

13 **SECTION 37.** 15.347 (4) (f) of the statutes is created to read:

14 15.347 (**4**) (f) One from the University of Wisconsin-Madison appointed by the
15 board of trustees of the University of Wisconsin-Madison.

16 **SECTION 38.** 15.377 (8) (c) 8m. of the statutes is created to read:

17 15.377 (**8**) (c) 8m. One faculty member of a department or the School of
18 Education in the University of Wisconsin-Madison recommended by the chancellor
19 of the University of Wisconsin-Madison.

20 **SECTION 39.** 15.377 (8) (c) 10. of the statutes is amended to read:

21 15.377 (**8**) (c) 10. One additional faculty member, appointed from the list of
22 persons recommended under subd. 8., 8m., or 9.

23 **SECTION 40.** 15.67 (1) (a) 1m. of the statutes is created to read:

1 15.67 (1) (a) 1m. One member of the board of trustees of the University of
2 Wisconsin-Madison.

3 **SECTION 41.** 15.797 (1) (b) 8. of the statutes is amended to read:

4 15.797 (1) (b) 8. One member who is a University of Wisconsin System or
5 University of Wisconsin-Madison faculty member with expertise regarding the
6 health impacts of wind energy systems.

7 **SECTION 42.** 15.91 of the statutes is amended to read:

8 **15.91 Board of regents of the University of Wisconsin System; creation.**

9 There is created a board of regents of the University of Wisconsin System consisting
10 of the state superintendent of public instruction, the president, or by his or her
11 designation another member, of the technical college system board and 14 citizen
12 members appointed for staggered 7-year terms, and 2 students enrolled at least
13 half-time and in good academic standing at institutions within the University of
14 Wisconsin System who are residents of this state, for 2-year terms. The student
15 members may be selected from recommendations made by elected representatives
16 of student governments at institutions within the University of Wisconsin System.
17 The governor shall appoint one student member who is at least 18 years old and one
18 undergraduate student member who is at least 24 years old and represents the views
19 of nontraditional students, such as those who are employed or are parents. The
20 governor may not appoint a student member from the same institution in any 2
21 consecutive terms; and the 2 student members who are appointed may not be from
22 the same institution; ~~and a student from the University of Wisconsin-Madison and~~
23 ~~a student from the University of Wisconsin-Milwaukee may not serve on the Board~~
24 ~~of Regents at the same time.~~ If a student member loses the status upon which the
25 appointment was based, he or she shall cease to be a member of the board of regents.

1 **SECTION 43.** 15.915 (1) of the statutes is repealed.

2 **SECTION 44.** 15.915 (2) of the statutes is repealed.

3 **SECTION 45.** 15.917 (1) (a) of the statutes is amended to read:

4 15.917 (1) (a) A representative of the University of Wisconsin ~~Medical School~~
5 of Medicine and Public Health.

6 **SECTION 46.** 15.94 (intro.) of the statutes is amended to read:

7 **15.94 Technical college system board; creation.** (intro.) There is created
8 a technical college system board consisting of ~~13~~ 14 members. No person may serve
9 as president of the board for more than 2 successive annual terms. The board shall
10 be composed of:

11 **SECTION 47.** 15.94 (2v) of the statutes is created to read:

12 15.94 (2v) The chairperson, or by his or her designation another member, of the
13 board of trustees of the University of Wisconsin-Madison.

14 **SECTION 48.** 15.96 (1) (b) of the statutes is amended to read:

15 15.96 (1) (b) Three members of the board of ~~regents~~ trustees of the University
16 of Wisconsin-Madison appointed by the ~~president~~ chairperson of the board of ~~regents~~
17 trustees.

18 **SECTION 49.** 15.96 (1) (d) of the statutes is amended to read:

19 15.96 (1) (d) The dean of the University of Wisconsin-~~Madison Medical~~
20 Wisconsin School of Medicine and Public Health.

21 **SECTION 50.** 15.96 (1) (e) of the statutes is amended to read:

22 15.96 (1) (e) A chairperson of a department at the University of
23 ~~Wisconsin-Madison Medical~~ Wisconsin School of Medicine and Public Health,
24 appointed by the chancellor of the University of Wisconsin-Madison.

25 **SECTION 51.** 15.96 (1) (f) of the statutes is amended to read:

1 15.96 (1) (f) A faculty member of a health professions school of the University
2 of Wisconsin-Madison ~~health professions school~~, other than the University of
3 ~~Wisconsin-Madison Medical~~ Wisconsin School of Medicine and Public Health,
4 appointed by the chancellor of the University of Wisconsin-Madison.

5 **SECTION 52.** 16.002 (2) of the statutes, as affected by 2011 Wisconsin Act 7, is
6 amended to read:

7 16.002 (2) "Departments" means constitutional offices, departments, and
8 independent agencies and includes all societies, associations, and other agencies of
9 state government for which appropriations are made by law, but not including
10 authorities created in subch. II of ch. 114 or subch. III of ch. 149 or in ~~chs.~~ ch. 37, 52,
11 231, 232, 233, 234, 235, 237, 238, or 279.

****NOTE: The above exempts the UW from the following:

Section 16.52 (11), which allows the DOA secretary to "allocate and charge, and ... prescribe the procedures for departments to allocate and charge, the central services costs of [DOA] or of individual departments to selected federal grants or contracts."

Section 16.53 (1) (ca), which requires all departments to "diligently review and supervise the travel expenditures of their employees" and allows them to promulgate rules governing such expenditures that are consistent with uniform guidelines established under s. 20.916 (8).

Section 16.54 (10), which requires all departments, "before acceptance of any federal grant on behalf of the state which will or may involve the provision of auditing services by the legislative audit bureau," to provide written notification to the state auditor.

Section 16.61 (3) (d) 1., which requires the public records board to establish a system for protecting essential public records in the event of a disaster and consult with state departments in determining what public records are essential for such system.

Section 16.61 (3) (d) 4., which requires the public records board to furnish state departments with copies of its final plan for preserving essential public records.

Section 16.85 (6), which requires DOA to "approve the appointment of a principal engineer or architect for departments, boards and commissions and when such continuous service is needed."

12 **SECTION 53.** 16.004 (4) of the statutes, as affected by 2011 Wisconsin Act 7, is
13 amended to read:

1 16.004 (4) FREEDOM OF ACCESS. The secretary and such employees of the
2 department as the secretary designates may enter into the offices of state agencies
3 and authorities created under subch. II of ch. 114 or subch. III of ch. 149 and under
4 chs. 37, 52, 231, 233, 234, 237, 238, and 279, and may examine their books and
5 accounts and any other matter that in the secretary's judgment should be examined
6 and may interrogate the agency's employees publicly or privately relative thereto.

7 **SECTION 54.** 16.004 (5) of the statutes, as affected by 2011 Wisconsin Act 7, is
8 amended to read:

9 16.004 (5) AGENCIES AND EMPLOYEES TO COOPERATE. All state agencies and
10 authorities created under subch. II of ch. 114 or subch. III of ch. 149 and under chs.
11 37, 52, 231, 233, 234, 237, 238, and 279, and their officers and employees, shall
12 cooperate with the secretary and shall comply with every request of the secretary
13 relating to his or her functions.

14 **SECTION 55.** 16.004 (8) (am) of the statutes is amended to read:

15 16.004 (8) (am) The secretary shall maintain a system of rental policies for
16 state-owned housing administered by all agencies other than the University of
17 Wisconsin-Madison, and shall periodically review the system for possible changes.
18 Whenever the secretary proposes to change rental policies other than rental rates,
19 the secretary shall submit a report relating to the system to the joint committee on
20 finance. The report shall include any changes in rental policies recommended by the
21 secretary.

22 **SECTION 56.** 16.004 (12) (a) of the statutes, as affected by 2011 Wisconsin Act
23 7, is amended to read:

24 16.004 (12) (a) In this subsection, "state agency" means an association,
25 authority, board, department, commission, independent agency, institution, office,

1 society, or other body in state government created or authorized to be created by the
2 constitution or any law, including the legislature, the office of the governor, and the
3 courts, but excluding the University of Wisconsin Hospitals and Clinics Authority,
4 the University of Wisconsin-Madison, the Wisconsin Aerospace Authority, the
5 Health Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
6 Authority, the Wisconsin Quality Home Care Authority, the Wisconsin Economic
7 Development Corporation, and the Fox River Navigational System Authority.

8 **SECTION 57.** 16.04 (1) (intro.) of the statutes is amended to read:

9 16.04 (1) (intro.) The department shall ensure optimum efficiency and economy
10 in the fleet management and maintenance activities of all agencies, as defined in s.
11 16.52 (7), other than the University of Wisconsin- Madison. The department may:

12 **SECTION 58.** 16.045 (1) (a) of the statutes, as affected by 2011 Wisconsin Act 7,
13 is amended to read:

14 16.045 (1) (a) "Agency" means an office, department, independent agency,
15 institution of higher education, association, society, or other body in state
16 government created or authorized to be created by the constitution or any law, that
17 is entitled to expend moneys appropriated by law, including the legislature and the
18 courts, but not including an authority created in subch. II of ch. 114 or subch. III of
19 ch. 149 or in ch. 37, 52, 231, 232, 233, 234, 235, 237, 238, or 279.

****NOTE: The above exempts the UW from DOA's authority over agency use of
gasohol, alternative fuels, and hybrid-electric vehicles.

20 **SECTION 59.** 16.41 (1) of the statutes is amended to read:

21 16.41 (1) All agencies shall keep their accounts and other financial records as
22 prescribed by the secretary under s. 16.40 (5), except as otherwise specifically
23 directed by law. All agencies and authorities and the University of

1 Wisconsin-Madison shall furnish to the secretary all information relating to their
2 financial transactions which the secretary requests pursuant to this subchapter for
3 such periods as the secretary requests, and shall render such assistance in
4 connection with the preparation of the state budget report and the budget bill and
5 in auditing accounts, as the secretary or the governor may require.

6 **SECTION 60.** 16.417 (1) (a) of the statutes, as affected by 2011 Wisconsin Act 7,
7 section 19, is amended to read:

8 16.417 (1) (a) "Agency" means an office, department, independent agency,
9 institution of higher education, association, society, or other body in state
10 government created or authorized to be created by the constitution or any law, that
11 is entitled to expend moneys appropriated by law, including the legislature and the
12 courts, but not including an authority or the body created under subch. III of ch. 149
13 or under ch. 37 or 238.

****NOTE: The above exempts the UW from the dual retention/employment requirements of s. 16.417 that apply to agencies and authorities. Note that s. 16.417 (1) (b) defines "authority" to include authorities created under specified statutes. By not including the UW in s. 16.417 (1) (b), and by excluding the UW from the definition of "agency" in the above, this draft exempts the UW from s. 16.417.

14 **SECTION 61.** 16.417 (1) (a) of the statutes, as affected by 2011 Wisconsin Act 7,
15 section 20, and 2011 Wisconsin Act (this act), is repealed and recreated to read:

16 16.417 (1) (a) "Agency" means an office, department, independent agency,
17 institution of higher education, association, society, or other body in state
18 government created or authorized to be created by the constitution or any law, that
19 is entitled to expend moneys appropriated by law, including the legislature and the
20 courts, but not including an authority or the body created under subch. III of ch. 149
21 or under ch. 37.

22 **SECTION 62.** 16.42 (1) (intro.) of the statutes is amended to read:

1 16.42 (1) (intro.) All agencies, ~~other than~~ including the University of
2 Wisconsin-Madison but excluding the legislature and the courts, no later than
3 September 15 of each even-numbered year, in the form and content prescribed by the
4 department, shall prepare and forward to the department and to the legislative fiscal
5 bureau the following program and financial information:

6 **SECTION 63.** 16.513 (1) of the statutes is amended to read:

7 16.513 (1) Each agency, including the University of Wisconsin-Madison, which
8 has a program revenue appropriation or appropriation of segregated revenues from
9 program receipts shall, at such times as required by the secretary, make quarterly
10 reports to the department projecting the revenues and expenditures for the ensuing
11 quarterly period under each such appropriation to the agency.

12 **SECTION 64.** 16.513 (3) (a) of the statutes is amended to read:

13 16.513 (3) (a) If there are insufficient moneys, assets, or accounts receivable,
14 as determined under s. 20.903 (2), that are projected by an agency, including the
15 University of Wisconsin-Madison, or projected by the department under s. 16.40 (7)
16 to cover anticipated expenditures under a program revenue appropriation or
17 appropriation of segregated revenues from program receipts, the agency shall
18 propose and submit to the department a plan to assure that there are sufficient
19 moneys, assets, or accounts receivable to meet projected expenditures under the
20 appropriation.

21 **SECTION 65.** 16.528 (1) (a) of the statutes, as affected by 2011 Wisconsin Act 7,
22 is amended to read:

23 16.528 (1) (a) "Agency" means an office, department, independent agency,
24 institution of higher education, association, society, or other body in state
25 government created or authorized to be created by the constitution or any law, that

1 is entitled to expend moneys appropriated by law, including the legislature and the
2 courts, but not including an authority created in subch. II of ch. 114 or subch. III of
3 ch. 149 or in ch. 37, 52, 231, 233, 234, 237, 238, or 279.

****NOTE: The above exempts the UW from the requirements under s. 16.528 for
an agency to pay interest on late payments made by the agency.

4 **SECTION 66.** 16.53 (2) of the statutes, as affected by 2011 Wisconsin Act 7, is
5 amended to read:

6 16.53 (2) IMPROPER INVOICES. If an agency receives an improperly completed
7 invoice, the agency shall notify the sender of the invoice within 10 working days after
8 it receives the invoice of the reason it is improperly completed. In this subsection,
9 “agency” means an office, department, independent agency, institution of higher
10 education, association, society, or other body in state government created or
11 authorized to be created by the constitution or any law, that is entitled to expend
12 moneys appropriated by law, including the legislature and the courts, but not
13 including an authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch.
14 37, 52, 231, 233, 234, 237, 238, or 279.

15 **SECTION 67.** 16.53 (7) of the statutes is amended to read:

16 16.53 (7) CERTIFICATION OF BOARDS, EVIDENCE OF CORRECTNESS OF ACCOUNT. The
17 certificate of the proper officers of the ~~board of regents~~ Board of Regents of the
18 University of Wisconsin System, the Board of Trustees of the University of
19 Wisconsin-Madison, the department of health services, or the proper officers of any
20 other board or commission organized or established by the state, shall in all cases be
21 evidence of the correctness of any account which may be certified by them.

22 **SECTION 68.** 16.54 (8g) of the statutes is amended to read:

1 16.54 (8g) Subsections (1) to (8) do not apply to federal moneys made available
2 to the ~~board of regents~~ Board of Regents of the University of Wisconsin System ~~or the~~
3 Board of Trustees of the University of Wisconsin-Madison for instruction, extension,
4 special projects or emergency employment opportunities.

 ****NOTE: The above ensures that the UW maintains an exemption under current
law that applies to the UW-System.

5 **SECTION 69.** 16.54 (8r) (a) of the statutes is amended to read:

6 16.54 (8r) (a) Whenever the federal government makes available moneys for
7 instruction, extension, special projects or emergency employment opportunities, the
8 ~~board of regents~~ Board of Regents of the University of Wisconsin System ~~and the~~
9 Board of Trustees of the University of Wisconsin-Madison may accept the moneys
10 on behalf of the state. The ~~board of regents~~ Board of Regents and the Board of
11 Trustees shall, in the administration of the expenditure of such moneys, comply with
12 the requirements of the act of congress making the moneys available and with the
13 regulations prescribed by the federal government or the federal agency
14 administering the act, insofar as the act or regulations are consistent with state law.
15 The ~~board of regents~~ Board of Regents and the Board of Trustees may submit any
16 plan, budget, application or proposal required by the federal agency as a precondition
17 to receipt of the moneys. The ~~board of regents~~ Board of Regents and the Board of
18 Trustees may, consistent with state law, perform any act required by the act of
19 congress or the federal agency to carry out the purpose of the act of congress. The
20 ~~board of regents~~ Board of Regents shall deposit all moneys received under this
21 paragraph in the appropriation account under s. 20.285 (1) (m).

22 **SECTION 70.** 16.54 (9) (a) 1. of the statutes, as affected by 2011 Wisconsin Act
23 7, is amended to read:

1 16.54 (9) (a) 1. "Agency" means an office, department, independent agency,
2 institution of higher education, association, society or other body in state
3 government created or authorized to be created by the constitution or any law, which
4 is entitled to expend moneys appropriated by law, including the legislature and the
5 courts, but not including an authority created in subch. II of ch. 114 or subch. III of
6 ch. 149 or in ch. 37, 52, 231, 233, 234, 237, 238, or 279.

 ****NOTE: The above exempts the UW from the requirements under s. 16.54 (9) that
 apply to "moneys received by an agency from the federal government as reimbursement
 for indirect costs of administration of a federal grant or contract for which no specific use
 is mandated by the federal government."

7 **SECTION 71.** 16.61 (13) (a) of the statutes is amended to read:

8 16.61 (13) (a) The historical society, as trustee for the state, shall be the
9 ultimate depository of the archives of the state, and the board may transfer to the
10 society such original records and reproductions as it deems proper and worthy of
11 permanent preservation, including records and reproductions which the custodian
12 thereof has been specifically directed by statute to preserve or keep in the custodian's
13 office. The permanent preservation of records of the University of Wisconsin System
14 and of the University of Wisconsin-Madison may be accomplished under par. (b).
15 The society may deposit in the regional depositories established under s. 44.10, title
16 remaining with the society, the records of state agencies or their district or regional
17 offices which are primarily created in the geographic area serviced by the depository,
18 but the records of all central departments, offices, establishments and agencies shall
19 remain in the main archives in the capital city under the society's immediate
20 jurisdiction, except that the society may place the records temporarily at a regional
21 depository for periods of time to be determined by the society. Nothing in this
22 subsection nor in ch. 44 prevents the society's taking the steps for the safety of
23 articles and materials entrusted to its care in library, museum or archives, including

1 temporary removal to safer locations, dictated by emergency conditions arising from
2 a state of war, civil rebellion or other catastrophe.

3 **SECTION 72.** 16.61 (13) (b) of the statutes is amended to read:

4 16.61 (13) (b) The board may designate an archival depository at the
5 University of Wisconsin-Madison and at each university as defined in s. 36.05 (13)
6 which shall meet standards for university archival depositories established by the
7 board with the advice of the ~~board of regents~~ Board of Trustees, the Board of Regents,
8 and the historical society or their respective designated representatives. The board
9 may transfer to the appropriate university archival depository all original records
10 and reproductions the board deems worthy of permanent preservation.

11 **SECTION 73.** 16.70 (2) of the statutes is amended to read:

12 16.70 (2) "Authority" means a body created under subch. II of ch. 114 or subch.
13 III of ch. 149 or under ch. 37, 52, 231, 232, 233, 234, 235, 237, or 279.

14 **SECTION 74.** 16.705 (1r) (d) of the statutes is amended to read:

15 16.705 (1r) (d) Contractual services purchased by the Board of Regents of the
16 University of Wisconsin System with moneys appropriated under s. 20.285 (1) (j),
17 (ja), (jm), (u), or (w) ~~or (5) (j).~~

18 **SECTION 75.** 16.705 (1r) (e) of the statutes is created to read:

19 16.705 (1r) (e) Contractual services purchased by the Board of Trustees of the
20 University of Wisconsin-Madison with moneys other than moneys appropriated
21 under s. 20.280 (1) (a) to (s).

22 **SECTION 76.** 16.71 (4) of the statutes is created to read:

23 16.71 (4) The department shall delegate to the Board of Trustees of the
24 University of Wisconsin-Madison the authority to enter into contracts for materials,
25 supplies, equipment, or services that relate to higher education and that agencies

1 other than the University of Wisconsin-System or the University of
2 Wisconsin-Madison do not commonly purchase.

3 **SECTION 77.** 16.72 (8) of the statutes is amended to read:

4 16.72 (8) The department may purchase educational technology materials,
5 supplies, equipment, or contractual services from orders placed with the department
6 by school districts, cooperative educational service agencies, technical college
7 districts, and the board of regents Board of Regents of the University of Wisconsin
8 System, and the Board of Trustees of the University of Wisconsin-Madison.

9 **SECTION 78.** 16.73 (4m) of the statutes is created to read:

10 16.73 (4m) The Board of Trustees of the University of Wisconsin-Madison may
11 enter into agreements with other higher education institutions under which any of
12 the parties may agree to participate in, administer, sponsor, or conduct purchasing
13 of materials, supplies, equipment, permanent personal property, miscellaneous
14 capital, or contractual services. The University of Wisconsin-Madison may
15 purchase from any vendor selected as a result of such purchasing agreements.

****NOTE: Please review this provision.

16 **SECTION 79.** 16.73 (5) of the statutes is amended to read:

17 16.73 (5) If the department designates the ~~board of regents~~ Board of Trustees
18 of the University of ~~Wisconsin-System~~ Wisconsin-Madison as its purchasing agent
19 for any purpose under s. 16.71 (1), the board may enter into a contract to sell any
20 materials, supplies, equipment or contractual services purchased by the board to the
21 University of Wisconsin Hospitals and Clinics Authority, and may contract with the
22 University of Wisconsin Hospitals and Clinics Authority for the joint purchase of any
23 materials, supplies, equipment or contractual services if the sale or purchase is made
24 consistently with that delegation and with this subchapter.

1 **SECTION 80.** 16.765 (1) of the statutes, as affected by 2011 Wisconsin Act 7, is
2 amended to read:

3 16.765 (1) Contracting agencies, the University of Wisconsin Hospitals and
4 Clinics Authority, the University of Wisconsin-Madison, the Fox River Navigational
5 System Authority, the Wisconsin Aerospace Authority, the Health Insurance
6 Risk-Sharing Plan Authority, the Lower Fox River Remediation Authority, the
7 Wisconsin Quality Home Care Authority, the Wisconsin Economic Development
8 Corporation, and the Bradley Center Sports and Entertainment Corporation shall
9 include in all contracts executed by them a provision obligating the contractor not
10 to discriminate against any employee or applicant for employment because of age,
11 race, religion, color, handicap, sex, physical condition, developmental disability as
12 defined in s. 51.01 (5), sexual orientation as defined in s. 111.32 (13m), or national
13 origin and, except with respect to sexual orientation, obligating the contractor to take
14 affirmative action to ensure equal employment opportunities.

15 **SECTION 81.** 16.765 (2) of the statutes, as affected by 2011 Wisconsin Act 7, is
16 amended to read:

17 16.765 (2) Contracting agencies, the University of Wisconsin Hospitals and
18 Clinics Authority, the University of Wisconsin-Madison, the Fox River Navigational
19 System Authority, the Wisconsin Aerospace Authority, the Health Insurance
20 Risk-Sharing Plan Authority, the Lower Fox River Remediation Authority, the
21 Wisconsin Quality Home Care Authority, the Wisconsin Economic Development
22 Corporation, and the Bradley Center Sports and Entertainment Corporation shall
23 include the following provision in every contract executed by them: "In connection
24 with the performance of work under this contract, the contractor agrees not to
25 discriminate against any employee or applicant for employment because of age, race,

1 religion, color, handicap, sex, physical condition, developmental disability as defined
2 in s. 51.01 (5), sexual orientation or national origin. This provision shall include, but
3 not be limited to, the following: employment, upgrading, demotion or transfer;
4 recruitment or recruitment advertising; layoff or termination; rates of pay or other
5 forms of compensation; and selection for training, including apprenticeship. Except
6 with respect to sexual orientation, the contractor further agrees to take affirmative
7 action to ensure equal employment opportunities. The contractor agrees to post in
8 conspicuous places, available for employees and applicants for employment, notices
9 to be provided by the contracting officer setting forth the provisions of the
10 nondiscrimination clause”.

11 **SECTION 82.** 16.765 (5) of the statutes, as affected by 2011 Wisconsin Act 7, is
12 amended to read:

13 16.765 (5) The head of each contracting agency and the boards of directors of
14 the University of Wisconsin Hospitals and Clinics Authority, the University of
15 Wisconsin-Madison, the Fox River Navigational System Authority, the Wisconsin
16 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
17 Fox River Remediation Authority, the Wisconsin Quality Home Care Authority, the
18 Wisconsin Economic Development Corporation, and the Bradley Center Sports and
19 Entertainment Corporation shall be primarily responsible for obtaining compliance
20 by any contractor with the nondiscrimination and affirmative action provisions
21 prescribed by this section, according to procedures recommended by the department.
22 The department shall make recommendations to the contracting agencies and the
23 boards of directors of the University of Wisconsin Hospitals and Clinics Authority,
24 the University of Wisconsin-Madison, the Fox River Navigational System Authority,
25 the Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan

1 Authority, the Lower Fox River Remediation Authority, the Wisconsin Quality Home
2 Care Authority, the Wisconsin Economic Development Corporation, and the Bradley
3 Center Sports and Entertainment Corporation for improving and making more
4 effective the nondiscrimination and affirmative action provisions of contracts. The
5 department shall promulgate such rules as may be necessary for the performance of
6 its functions under this section.

7 **SECTION 83.** 16.765 (6) of the statutes, as affected by 2011 Wisconsin Act 7, is
8 amended to read:

9 16.765 (6). The department may receive complaints of alleged violations of the
10 nondiscrimination provisions of such contracts. The department shall investigate
11 and determine whether a violation of this section has occurred. The department may
12 delegate this authority to the contracting agency, the University of Wisconsin
13 Hospitals and Clinics Authority, the University of Wisconsin-Madison, the Fox
14 River Navigational System Authority, the Wisconsin Aerospace Authority, the
15 Health Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
16 Authority, the Wisconsin Quality Home Care Authority, the Wisconsin Economic
17 Development Corporation, or the Bradley Center Sports and Entertainment
18 Corporation for processing in accordance with the department's procedures.

19 **SECTION 84.** 16.765 (7) (intro.) of the statutes, as affected by 2011 Wisconsin
20 Act 7, is amended to read:

21 16.765 (7) (intro.) When a violation of this section has been determined by the
22 department, the contracting agency, the University of Wisconsin Hospitals and
23 Clinics Authority, the University of Wisconsin-Madison, the Fox River Navigational
24 System Authority, the Wisconsin Aerospace Authority, the Health Insurance
25 Risk-Sharing Plan Authority, the Lower Fox River Remediation Authority, the

1 Wisconsin Quality Home Care Authority, the Wisconsin Economic Development
2 Corporation, or the Bradley Center Sports and Entertainment Corporation, the
3 contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the
4 University of Wisconsin-Madison, the Fox River Navigational System Authority, the
5 Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority,
6 the Lower Fox River Remediation Authority, the Wisconsin Quality Home Care
7 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center
8 Sports and Entertainment Corporation shall:

9 **SECTION 85.** 16.765 (7) (d) of the statutes, as affected by 2011 Wisconsin Act 7,
10 is amended to read:

11 16.765 (7) (d) Direct the violating party to take immediate steps to prevent
12 further violations of this section and to report its corrective action to the contracting
13 agency, the University of Wisconsin Hospitals and Clinics Authority, the University
14 of Wisconsin-Madison, the Fox River Navigational System Authority, the Wisconsin
15 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
16 Fox River Remediation Authority, the Wisconsin Quality Home Care Authority, the
17 Wisconsin Economic Development Corporation, or the Bradley Center Sports and
18 Entertainment Corporation.

19 **SECTION 86.** 16.765 (8) of the statutes, as affected by 2011 Wisconsin Act 7, is
20 amended to read:

21 16.765 (8) If further violations of this section are committed during the term
22 of the contract, the contracting agency, the University of Wisconsin-Madison, the
23 Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the
24 Health Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
25 Authority, the Wisconsin Quality Home Care Authority, the Wisconsin Economic

1 Development Corporation or the Bradley Center Sports and Entertainment
2 Corporation may permit the violating party to complete the contract, after complying
3 with this section, but thereafter the contracting agency, the University of
4 Wisconsin-Madison, the Fox River Navigational System Authority, the Wisconsin
5 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
6 Fox River Remediation Authority, the Wisconsin Quality Home Care Authority, the
7 Wisconsin Economic Development Corporation, or the Bradley Center Sports and
8 Entertainment Corporation shall request the department to place the name of the
9 party on the ineligible list for state contracts, or the contracting agency, the
10 University of Wisconsin-Madison, the Fox River Navigational System Authority, the
11 Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority,
12 the Lower Fox River Remediation Authority, the Wisconsin Quality Home Care
13 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center
14 Sports and Entertainment Corporation may terminate the contract without liability
15 for the uncompleted portion or any materials or services purchased or paid for by the
16 contracting party for use in completing the contract.

17 **SECTION 87.** 16.78 (1) of the statutes, as affected by 2011 Wisconsin Act 7, is
18 amended to read:

19 16.78 (1) Every agency other than the ~~board of regents~~ Board of Regents of the
20 University of Wisconsin System, the Board of Trustees of the University of
21 Wisconsin-Madison, or an agency making purchases under s. 16.74 shall make all
22 purchases of materials, supplies, equipment, and contractual services relating to
23 information technology or telecommunications from the department, unless the
24 department requires the agency to purchase the materials, supplies, equipment, or
25 contractual services pursuant to a master contract established under s. 16.972 (2)

(h), or grants written authorization to the agency to procure the materials, supplies, equipment, or contractual services under s. 16.75 (1) or (2m), to purchase the materials, supplies, equipment, or contractual services from another agency or to provide the materials, supplies, equipment, or contractual services to itself. The ~~board of regents~~ Board of Regents of the University of Wisconsin System may make purchases of materials, supplies, equipment, and contractual services relating to information technology or telecommunications from the department.

SECTION 88. 16.847 (1) (b) of the statutes is amended to read:

16.847 (1) (b) "State facilities" means all property owned and operated by the state for the purpose of carrying out usual state functions, including the University of Wisconsin-Madison and each institution within the University of Wisconsin System.

****NOTE: Section 16.848, stats., relating to sale of state-owned real property, is not amended because under the draft the UW's real property will not be state-owned.

SECTION 89. 16.85 (1) of the statutes is amended to read:

16.85 (1) To take charge of and supervise all engineering or architectural services or construction work, as defined in s. 16.87, performed by, or for, the state, or any department, board, institution, commission, or officer of the state, and any such work to be performed for the University of Wisconsin-Madison, including nonprofit-sharing corporations organized for the purpose of assisting the state in the construction and acquisition of new buildings or improvements and additions to existing buildings as contemplated under ss. 13.488, 36.09, and 36.11, 37.03, and 37.11, except work to be performed for the University of Wisconsin-Madison with respect to a building, structure, or facility that is funded entirely from sources other than general purpose revenue or general fund supported borrowing; the engineering,

1 architectural, and construction work of the department of transportation; and the
2 engineering service performed by the department of ~~commerce~~ safety and
3 professional services, department of revenue, public service commission,
4 department of health services, and other departments, boards, and commissions
5 when the service is not related to the maintenance, and construction and planning,
6 of the physical properties of the state. The department may not authorize
7 construction work for any state office facility in the city of Madison after May 11,
8 1990, unless the department first provides suitable space for a child care center
9 primarily for use by children of state employees.

****NOTE: This is reconciled s. 16.85 (1). This SECTION is affected by drafts with the
following LRB numbers: LRB-1187 and LRB-1465.

10 **SECTION 90.** 16.85 (2) of the statutes, as affected by 2011 Wisconsin Act 7, is
11 amended to read:

12 16.85 (2) To furnish engineering, architectural, project management, and other
13 building construction services whenever requisitions therefor are presented to the
14 department by any agency or the University of Wisconsin-Madison. The department
15 may deposit moneys received from the provision of these services in the account
16 under s. 20.505 (1) (kc) or in the general fund as general purpose revenue — earned.
17 In this subsection, “agency” means an office, department, independent agency,
18 institution of higher education, association, society, or other body in state
19 government created or authorized to be created by the constitution or any law, which
20 is entitled to expend moneys appropriated by law, including the legislature and the
21 courts, but not including an authority created in subch. II of ch. 114 or subch. III of
22 ch. 149 or in ch. 37, 52, 231, 233, 234, 237, 238, or 279.

23 **SECTION 91.** 16.85 (5) of the statutes is amended to read:

1 16.85 (5) To promote the use of energy conservation methods in state-owned
2 facilities and facilities owned by the University of Wisconsin-Madison, to implement
3 and refine a statewide energy monitoring system and to develop and implement
4 initiatives of replacing fossil fuels with renewable energy fuels.

5 **SECTION 92.** 16.85 (7) of the statutes is amended to read:

6 16.85 (7) To rebuild and repair discarded machinery of the several state
7 institutions and the University of Wisconsin-Madison when found feasible, and put
8 the same back into service in the same department or at the university or in any other
9 state department or the university, and upon requisition to furnish services and
10 material and loan equipment at fair rentals based on the cost thereof, in connection
11 with the construction, operation and maintenance of heating and power plants,
12 utilities and equipment.

13 **SECTION 93.** 16.85 (10) of the statutes is amended to read:

14 16.85 (10) To prepare in cooperation with the state agencies concerned and
15 with the University of Wisconsin-Madison, plans for the future growth and
16 development of various state institutions and to serve as technical adviser to the
17 building commission in connection with the development of the state long-range
18 building program provided in ss. 13.48 and 13.482.

19 **SECTION 94.** 16.85 (12) of the statutes is amended to read:

20 16.85 (12) To review and approve plans and specifications for any building or
21 structure that is constructed for the benefit of the University of Wisconsin System
22 or any institution thereof, and to periodically review the progress of any such
23 building or structure during construction to assure compliance with the approved
24 plans and specifications. This subsection does not apply to any building, structure,
25 or facility that is constructed, remodeled, repaired, renewed, or expanded for the

1 University of Wisconsin-Madison if the project is funded entirely from sources other
2 than general purpose revenue or general fund supported borrowing.

3 **SECTION 95.** 16.851 of the statutes is amended to read:

4 **16.851 Plans for state and university buildings, structures or facilities.**

5 Except as the department otherwise provides by rule, records of the department and
6 the University of Wisconsin-Madison containing plans or specifications for any
7 state-owned or state-leased or any university-owned or university-leased building,
8 structure or facility, or any proposed state-owned or state-leased or
9 university-owned or university-leased building, structure or facility, are not subject
10 to the right of public inspection or copying under s. 19.35 (1). If the department or
11 the University of Wisconsin-Madison transfers any records containing any such
12 plans or specifications to any other authority as defined in s. 19.32 (1), the
13 department or university shall require the authority to agree in writing not to make
14 the record available for public inspection or copying except as the department
15 otherwise permits by rule.

16 **SECTION 96.** 16.8511 of the statutes is amended to read:

17 **16.8511 Secretary of administration; powers, duties.** (1) The secretary
18 or the secretary's designated assistants shall make a biennial inspection of each
19 building of each institution of the state and the University of Wisconsin-Madison.
20 The secretary may delegate this responsibility to the board, commission or officer in
21 charge of such institution.

22 (2) The secretary may delegate any of the work under this subchapter to the
23 various state agencies or to the University of Wisconsin-Madison when the secretary
24 determines that the best interests of the state or the university will be served. All
25 such delegation will be in writing and accompanied by the proper rules and

1 guidelines the agencies or the university must follow to ensure performance to the
2 satisfaction of the secretary.

3 **SECTION 97.** 16.855 (2) (intro.) of the statutes is amended to read:

4 16.855 (2) (intro.) Except for projects authorized under s. 16.858, whenever the
5 estimated construction cost of a project exceeds \$40,000, or if less and in the best
6 interest of the state or the University of Wisconsin-Madison, the department shall:

7 **SECTION 98.** 16.855 (2) (b) 2. of the statutes is amended to read:

8 16.855 (2) (b) 2. If the federal government participates in a state or University
9 of Wisconsin-Madison project, the bid guarantee required in this paragraph
10 controls, unless the federal government makes a specific provision for a different bid
11 guarantee.

12 **SECTION 99.** 16.855 (5) of the statutes is amended to read:

13 16.855 (5) Any or all bids may be rejected if, in the opinion of the department,
14 it is in the best interest of the state or the University of Wisconsin-Madison. The
15 reasons for rejection shall be given to the bidder or bidders in writing.

16 **SECTION 100.** 16.855 (7) of the statutes is amended to read:

17 16.855 (7) The department may issue contract change orders, if they are
18 deemed to be in the best interests of the state or the University of
19 Wisconsin-Madison.

20 **SECTION 101.** 16.855 (10) of the statutes is amended to read:

21 16.855 (10) When the department believes that it is in the best interests of the
22 state or the University of Wisconsin-Madison to contract for certain articles or
23 materials available from only one source, it may contract for said articles or
24 materials without the usual statutory procedure, after a publication of a class 1
25 notice, under ch. 985, in the official state newspaper.

1 **SECTION 102.** 16.855 (13) (c) of the statutes is amended to read:

2 16.855 (13) (c) Changes may be made in the list of subcontractors, with the
3 agreement of the department and the prime contractor, when in the opinion of the
4 department it is in the best interests of the state or the University of
5 Wisconsin-Madison to require the change.

6 **SECTION 103.** 16.855 (14) (b) of the statutes is amended to read:

7 16.855 (14) (b) The state is and the University of Wisconsin-Madison are not
8 liable to a prime contractor for damage from delay caused by another prime
9 contractor if the department or the university takes reasonable action to require the
10 delaying prime contractor to comply with its contract. If the state or the university
11 is not liable under this paragraph, the delayed prime contractor may bring an action
12 for damages against the delaying prime contractor.

13 **SECTION 104.** 16.855 (16) (a) of the statutes is amended to read:

14 16.855 (16) (a) This section does not apply to contracts between the state or the
15 University of Wisconsin-Madison and federal government or any agency thereof, or
16 with any political subdivision of the state. Subject to the approval of the governor,
17 the requirements of this section may be waived in emergency situations involving the
18 public health, welfare or safety or with respect to contracting with public utilities,
19 but only when any such waiver is deemed by the governor to be in the best interests
20 of the state or the university.

21 **SECTION 105.** 16.855 (16) (b) 2. of the statutes is amended to read:

22 16.855 (16) (b) 2. In emergency situations, the governor may approve repairs
23 and construction of a building, structure, or facility in lieu of building commission
24 approval under s. 13.48 (10), and for such purposes, may authorize the expenditure
25 of up to \$500,000 from the state building trust fund or from other available moneys

1 appropriated to an agency or other available moneys of the University of
2 Wisconsin-Madison derived from any revenue source. The governor may delegate
3 to the secretary the authority to grant approvals under this subdivision. The
4 governor shall report any such authorization to the building commission at its next
5 regular meeting following the authorization. In this subdivision, "emergency"
6 means any natural or human-caused situation that results in or may result in
7 substantial injury or harm to the population or substantial damage to or loss of
8 property.

9 **SECTION 106.** 16.855 (20) of the statutes is amended to read:

10 16.855 (20) This section does not apply to construction work performed by
11 University of Wisconsin System or University of Wisconsin-Madison students when
12 the construction work performed is a part of a curriculum and where the work is
13 course-related for the student involved. Prior approval of the building commission
14 must be obtained for all construction projects to be performed by University of
15 Wisconsin System or University of Wisconsin-Madison students, except projects
16 specified in s. 13.48 (10) (c).

17 **SECTION 107.** 16.855 (22) of the statutes is amended to read:

18 16.855 (22) The provisions of this section, except sub. (10m), do not apply to
19 construction work for any project that does not require the prior approval of the
20 building commission under s. 13.48 (10) (a) if the project is constructed in accordance
21 with policies and procedures prescribed by the building commission under s. 13.48
22 (29). The provisions of this section do not apply to construction work for any project
23 by or for the University of Wisconsin-Madison that is funded entirely from sources
24 other than general purpose revenue or general fund supported borrowing. If the
25 estimated construction cost of any project, other than a University of

1 Wisconsin-Madison project that is exempted under this subsection, is at least
2 \$40,000, and the building commission elects to utilize the procedures prescribed
3 under s. 13.48 (29) to construct the project, the department shall provide adequate
4 public notice of the project and the procedures to be utilized to construct the project
5 on a publicly accessible computer site.

6 **SECTION 108.** 16.865 (1) (a) of the statutes is amended to read:

7 16.865 (1) (a) ~~Protect~~ Except as provided in sub. (10), protect the state and the
8 University of Wisconsin-Madison from losses which are catastrophic in nature and
9 minimize total cost to the state of all activities related to the control of accidental loss.

10 **SECTION 109.** 16.865 (2) of the statutes is amended to read:

11 16.865 (2) ~~Identify~~ Except as provided in sub. (10), identify and evaluate
12 exposure to loss to the state, ~~its~~ and University of Wisconsin-Madison and their
13 employees or injury to the public by reason of fire or other accidents and fortuitous
14 events at state-owned and the university-owned properties or facilities.

15 **SECTION 110.** 16.865 (3) of the statutes is amended to read:

16 16.865 (3) ~~Recommend~~ Except as provided in sub. (10), recommend changes in
17 procedures, program conditions or capital improvement for all agencies and the
18 University of Wisconsin-Madison which would satisfactorily eliminate or reduce the
19 existing exposure.

20 **SECTION 111.** 16.865 (4) of the statutes is amended to read:

21 16.865 (4) ~~Manage the state employees'~~ Except as provided in sub. (10),
22 manage the worker's compensation program for state and University of
23 Wisconsin-Madison employees and the statewide self-funded programs to protect
24 the state and the University of Wisconsin-Madison from losses of and damage to
25 state property and liability.

1 **SECTION 112.** 16.865 (5) of the statutes is amended to read:

2 16.865 (5) ~~Arrange~~ Except as provided in sub. (10), arrange appropriate
3 insurance contracts for the transfer of risk of loss on the part of the state and the
4 University of Wisconsin-Madison or ~~its~~ their employees, to the extent such loss
5 cannot reasonably be assumed by the individual agencies or the university or the
6 self-funded programs. The placement of insurance may be by private negotiation
7 rather than competitive bid, if such insurance has a restricted number of interested
8 carriers. The department shall approve all insurance purchases.

9 **SECTION 113.** 16.865 (8) of the statutes, as affected by 2011 Wisconsin Act 7,
10 is amended to read:

11 16.865 (8) ~~Annually~~ Except as provided in sub. (10), annually in each fiscal
12 year, allocate as a charge to each agency and to the University of Wisconsin-Madison
13 a proportionate share of the estimated costs attributable to programs administered
14 by the agency or the university to be paid from the appropriation under s. 20.505 (2)
15 (k). The department may charge premiums to agencies and to the University of
16 Wisconsin-Madison to finance costs under this subsection and pay the costs from the
17 appropriation on an actual basis. The department shall deposit all collections under
18 this subsection in the appropriation account under s. 20.505 (2) (k). Costs assessed
19 under this subsection may include judgments, investigative and adjustment fees,
20 data processing and staff support costs, program administration costs, litigation
21 costs, and the cost of insurance contracts under sub. (5). In this subsection, "agency"
22 means an office, department, independent agency, institution of higher education,
23 association, society, or other body in state government created or authorized to be
24 created by the constitution or any law, that is entitled to expend moneys
25 appropriated by law, including the legislature and the courts, but not including an

1 authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch. 37, 52, 231,
2 232, 233, 234, 235, 237, 238, or 279.

3 **SECTION 114.** 16.865 (10) of the statutes is created to read:

4 16.865 (10) This section does not apply to the University of Wisconsin-Madison
5 for any fiscal year if the University of Wisconsin-Madison, no later than December
6 31 preceding the beginning of that fiscal year, provides written notice to the
7 department that it has elected not to be governed by this section. Any notice of
8 nonelection applies to all subsequent fiscal years unless the University of
9 Wisconsin-Madison, no later than December 31 preceding the beginning of a fiscal
10 year, provides written notice to the department that it has elected to be governed by
11 this section. Any notice of election applies to all subsequent fiscal years unless the
12 University of Wisconsin-Madison again provides timely notice of nonelection.

13 **SECTION 115.** 16.87 (2) (a) of the statutes is amended to read:

14 16.87 (2) (a) A contract for engineering services or architectural services or a
15 contract involving an expenditure of \$10,000 or more for construction work, or
16 \$30,000 or more for limited trades work, to be done for or furnished to the state or
17 a department, board, commission, or officer of the state or the University of
18 Wisconsin-Madison is exempt from the requirements of ss. 16.705 and 16.75.

19 **SECTION 116.** 16.87 (5) of the statutes is created to read:

20 16.87 (5) This subsection does not apply to any project for the University of
21 Wisconsin-Madison that is funded entirely from sources other than general purpose
22 revenue or general fund supported borrowing.

23 **SECTION 117.** 16.875 of the statutes is amended to read:

24 **16.875 Setoffs.** All amounts owed by this state or the University of
25 Wisconsin-Madison under this subchapter are subject to being set off under s. 73.12.

1 **SECTION 118.** 16.89 of the statutes is amended to read:

2 **16.89 Construction and services controlled by this chapter.** No
3 department, independent agency, constitutional office or agent of the state shall
4 employ engineering, architectural or allied services or expend money for
5 construction purposes on behalf of the state, except as provided in this chapter. The
6 University of Wisconsin-Madison shall not employ engineering, architectural, or
7 allied services or expend money for construction purposes on behalf of the university,
8 except as provided in this chapter and except that the university may engage such
9 employment for any project that is financed entirely from sources other than general
10 purpose revenue or general fund supported borrowing.

11 **SECTION 119.** 16.891 (1) (b) of the statutes is amended to read:

12 16.891 (1) (b) "Total cost of occupancy" means the cost to operate and maintain
13 the physical plant of a building, structure, or facility, including administrative costs
14 of an agency or the University of Wisconsin-Madison attributable to operation and
15 maintenance of a building, structure, or facility, together with any debt service costs
16 associated with the building, structure, or facility, computed in the manner
17 prescribed by the department.

18 **SECTION 120.** 16.891 (2) of the statutes is amended to read:

19 16.891 (2) Except as provided in sub. (4), each agency and the University of
20 Wisconsin-Madison shall report to the department no later than October 1 of each
21 year concerning the total cost of occupancy of each state-owned or university-owned
22 building, structure, and facility, excluding public highways and bridges, under the
23 jurisdiction of the agency or university for the preceding fiscal year. The report shall
24 be made in a format prescribed by the department. Beginning in 2009, if a building,
25 structure, or facility is a part of an institution, the agency having jurisdiction of the

1 ~~institution or the University of Wisconsin-Madison~~ shall also include in its report
2 the total cost of occupancy of all of the buildings, structures, and facilities within the
3 institution.

4 **SECTION 121.** 16.891 (4) of the statutes is amended to read:

5 16.891 (4) The department may exempt an agency or the University of
6 Wisconsin-Madison from compliance with the reporting requirement under sub. (2)
7 with respect to any building, structure, or facility that the department determines
8 to have a minimal total cost of occupancy.

9 **SECTION 122.** 16.895 (title) of the statutes is amended to read:

10 **16.895 (title) ~~State-owned~~ State- or university-owned or operated**
11 **heating, cooling or power plants.**

12 **SECTION 123.** 16.895 (2) (a) of the statutes is amended to read:

13 16.895 (2) (a) Prepare all specifications, bid and administer contracts for the
14 purchase of fuels for all ~~state-owned or operated~~ heating, cooling or power plants
15 that are owned or operated by the state or the University of Wisconsin-Madison.

16 **SECTION 124.** 16.895 (2) (c) of the statutes is amended to read:

17 16.895 (2) (c) Determine the method of operation of ~~state-owned~~ state- or
18 university-owned or operated heating, cooling or power plants, including
19 maintenance standards and policies concerning utilization of alternative fuels and
20 energy conservation.

21 **SECTION 125.** 16.895 (2) (d) of the statutes is amended to read:

22 16.895 (2) (d) Assure compliance with federal and state laws, federal
23 regulations and state administrative rules applicable to ~~state-owned~~ state- or
24 university-owned or operated heating, cooling or power plants.

25 **SECTION 126.** 16.895 (2) (e) of the statutes is amended to read:

1 16.895 (2) (e) Delegate to any agency or to the University of
2 Wisconsin-Madison the department's authority under par. (c) or (d) and approve all
3 expenditures of the agency or university under par. (c) or (d).

4 **SECTION 127.** 16.895 (2) (g) of the statutes is amended to read:

5 16.895 (2) (g) Provide for emissions testing, waste product disposal and fuel
6 quality testing at ~~state-owned~~ state- or university-owned or operated heating,
7 cooling or power plants, and secure permits that are required for operation of the
8 plants.

9 **SECTION 128.** 16.895 (2) (h) of the statutes is amended to read:

10 16.895 (2) (h) Periodically assess to agencies and the University of
11 Wisconsin-Madison their proportionate cost of the expenses incurred by the
12 department under this subsection and ss. 16.85 (4), 16.90, 16.91 and 16.92 in
13 accordance with a method of apportionment determined by the department.

14 **SECTION 129.** 16.897 of the statutes is amended to read:

15 **16.897 Space and water heating systems.** In planning and designing space
16 or water heating systems for new or existing state facilities and facilities of the
17 University of Wisconsin-Madison, the department shall ensure that geothermal
18 technologies are utilized to the greatest extent that is cost-effective and technically
19 feasible.

20 **SECTION 130.** 16.90 (title) of the statutes is amended to read:

21 **16.90 (title) Fuel for state and university heating, cooling or power**
22 **plants.**

23 **SECTION 131.** 16.90 (2) (a) of the statutes is amended to read:

24 16.90 (2) (a) Prepare all specifications for contracts for the purchase of fuel for
25 each ~~state-owned or operated~~ heating, cooling or power plant that is owned or

1 operated by the state or the University of Wisconsin-Madison. All such
2 specifications where feasible shall provide for purchase of such fuel on a heating
3 value and quality basis and may provide for an adjustment of the base price of any
4 fuel as a result of changes in production or transportation costs during the term of
5 a contract.

6 **SECTION 132.** 16.90 (2) (b) of the statutes is amended to read:

7 16.90 (2) (b) Distribute fuel purchased by the department ~~or~~, any other agency,
8 or the University of Wisconsin-Madison to agencies ~~that require it~~ or to the
9 University of Wisconsin-Madison as required, and reallocate such fuel between
10 agencies or the University of Wisconsin-Madison in the event of a shortage.

11 **SECTION 133.** 16.90 (2) (c) of the statutes is amended to read:

12 16.90 (2) (c) Set standards for storage of fuel by agencies and the University
13 of Wisconsin-Madison.

14 **SECTION 134.** 16.90 (2) (d) of the statutes is amended to read:

15 16.90 (2) (d) Test all fuel purchased for each ~~state-owned~~ state- or
16 university-owned or operated heating, cooling or power plant wherein the annual
17 requirement is in excess of 12,500 therms and where purchased on a heating value
18 and quality basis.

19 **SECTION 135.** 16.90 (2) (e) of the statutes is amended to read:

20 16.90 (2) (e) Promulgate such rules as the secretary considers necessary, not
21 inconsistent with this section, to promote efficiency, energy conservation and
22 economy in the testing, handling and use of fuel for ~~state-owned~~ state- or
23 university-owned or operated heating, cooling or power plants.

24 **SECTION 136.** 16.91 (2) of the statutes is amended to read:

1 16.91 (2) No contract for the purchase of fuel for any ~~state-owned~~ state- or
2 university-owned or operated heating or heating and power plant wherein the
3 annual requirement is in excess of 12,500 therms is binding unless purchased upon
4 specifications furnished by the secretary. A contract for fuel may be for any term
5 deemed to be in the best interests of the state or the University of
6 Wisconsin-Madison, but the term and any provisions for renewal or extension shall
7 be incorporated in the bid specifications and the contract document.

8 **SECTION 137.** 16.91 (3) of the statutes is amended to read:

9 16.91 (3) Payments for fuel delivered under contracts specified in sub. (2) and
10 for delivery costs shall be made upon vouchers approved by the secretary. Upon being
11 audited and paid, the department shall charge each purchase against the
12 appropriation to the agency which has jurisdiction over the facility at which the fuel
13 is used or to the University of Wisconsin-Madison, if the university has such
14 jurisdiction. The secretary shall report on a quarterly basis to each such agency and
15 to the University of Wisconsin-Madison the total amount of payments charged under
16 this subsection to each of its appropriations and facilities. Approval of the payments
17 by the any agency whose appropriation is charged is not required.

18 **SECTION 138.** 16.92 (2) of the statutes is amended to read:

19 16.92 (2) Each agency and the University of Wisconsin-Madison shall utilize
20 the most cost-effective means of procurement of fuel, electricity, heat and chilled
21 water.

22 **SECTION 139.** 16.93 (2) of the statutes is amended to read:

23 16.93 (2) Except as provided in sub. (3), any agency or the University of
24 Wisconsin-Madison, with the approval of the department, may sell fuel, water,